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HOUSE BILL 2

**48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007**

INTRODUCED BY

Henry 'Kiki' Saavedra

AN ACT

MAKING GENERAL APPROPRIATIONS AND AUTHORIZING EXPENDITURES BY  
STATE AGENCIES REQUIRED BY LAW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. SHORT TITLE.--This act may be cited as the  
"General Appropriation Act of 2007".

Section 2. DEFINITIONS.--As used in the General  
Appropriation Act of 2007:

A. "agency" means an office, department, agency,  
institution, board, bureau, commission, court, district  
attorney, council or committee of state government;

B. "federal funds" means any payments by the United  
States government to state government or agencies except those  
payments made in accordance with the federal Mineral Lands  
Leasing Act;

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1           C. "general fund" means that fund created by  
2 Section 6-4-2 NMSA 1978 and includes federal Mineral Lands  
3 Leasing Act receipts and those payments made in accordance with  
4 the federal block grant and the federal Workforce Investment  
5 Act, but excludes the general fund operating reserve, the  
6 appropriation contingency fund, the tax stabilization reserve  
7 and any other fund, reserve or account from which general  
8 appropriations are restricted by law;

9           D. "interagency transfers" means revenue, other  
10 than internal service funds, legally transferred from one  
11 agency to another;

12           E. "internal service funds" means:

13                   (1) revenue transferred to an agency for the  
14 financing of goods or services to another agency on a  
15 cost-reimbursement basis; and

16                   (2) unreserved undesignated fund balances in  
17 agency internal service fund accounts appropriated by the  
18 General Appropriation Act of 2007;

19           F. "other state funds" means:

20                   (1) unreserved undesignated balances in agency  
21 accounts, other than in internal service fund accounts,  
22 appropriated by the General Appropriation Act of 2007;

23                   (2) all revenue available to agencies from  
24 sources other than the general fund, internal service funds,  
25 interagency transfers and federal funds; and

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1 (3) all revenue, the use of which is  
2 restricted by statute or agreement; and

3 G. "revenue" means all money received by an agency  
4 from sources external to that agency, net of refunds and other  
5 correcting transactions, other than from issue of debt,  
6 liquidation of investments or as agent or trustee for other  
7 governmental entities or private persons.

8 Section 3. GENERAL PROVISIONS.--

9 A. For fiscal year 2008, appropriations are made as  
10 set out in Section 4 of the General Appropriation Act of 2007  
11 from the general fund, internal service funds and interagency  
12 transfers or other state funds as indicated to state agencies  
13 named or for the purposes expressed, or so much thereof as may  
14 be necessary, within available revenue and unreserved  
15 undesignated fund balances.

16 B. Unreserved undesignated fund balances in agency  
17 accounts remaining at the end of fiscal year 2008 shall revert  
18 to the general fund by September 30, 2008, unless otherwise  
19 indicated in the General Appropriation Act of 2007 or otherwise  
20 provided by law.

21 C. The state budget division of the department of  
22 finance and administration shall monitor revenue received by  
23 agencies from sources other than the general fund and shall  
24 reduce the operating budget of any agency whose revenue from  
25 such sources is not meeting projections.

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1           D. Except as otherwise specifically stated in the  
2 General Appropriation Act of 2007, appropriations are made in  
3 that act for the expenditures of agencies and for other  
4 purposes as required by existing law for fiscal year 2008. If  
5 any other act of the first session of the forty-eighth  
6 legislature changes existing law with regard to the name or  
7 responsibilities of an agency or the name or purpose of a fund  
8 or distribution, the appropriation made in the General  
9 Appropriation Act of 2007 shall be transferred from the agency,  
10 fund or distribution to which an appropriation has been made as  
11 required by existing law to the appropriate agency, fund or  
12 distribution provided by the new law.

13           E. Pursuant to Sections 6-3-23 through 6-3-25 NMSA  
14 1978, the state budget division may approve increases in  
15 budgets for state agencies whose revenues from other state  
16 funds, internal service funds and interagency transfers exceed  
17 amounts specified in the General Appropriation Act of 2007. If  
18 approved by the state budget division, such increases in other  
19 state funds, internal service funds and interagency transfers  
20 are hereby appropriated.

21           F. For the purpose of administering the General  
22 Appropriation Act of 2007, the state shall follow the modified  
23 accrual basis of accounting for governmental funds in  
24 accordance with the manual of model accounting practices issued  
25 by the department of finance and administration.

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1           G. When approving budgets based on appropriations  
2 in the General Appropriation Act of 2007, the state budget  
3 division is specifically authorized to approve budgets in  
4 accordance with generally accepted accounting principles, and  
5 the authority to extend the availability period of an  
6 appropriation through the use of an encumbrance shall follow  
7 the modified accrual basis of accounting for governmental funds  
8 in accordance with the manual of model accounting practices  
9 issued by the department of finance and administration.

10           H. Laws 2006, Chapter 109, Section 4 is repealed  
11 effective July 1, 2007.

12           Section 4. FISCAL YEAR 2008 APPROPRIATIONS.--

13           A. LEGISLATIVE.--Seventeen million nine hundred  
14 thirty-five thousand nine hundred dollars (\$17,935,900) is  
15 appropriated from the general fund to the legislative council  
16 service for allocation to legislative agencies in fiscal year  
17 2008.

18           B. JUDICIAL.--One hundred ninety-one million four  
19 hundred twenty-one thousand two hundred dollars (\$191,421,200)  
20 from the general fund, sixteen million twenty-nine thousand  
21 dollars (\$16,029,000) from other state funds and six million  
22 two hundred eighty-five thousand eight hundred dollars  
23 (\$6,285,800) from internal service funds/interagency transfers  
24 is appropriated to the administrative office of the courts for  
25 allocation to judicial agencies in fiscal year 2008.

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1           C. GENERAL CONTROL.--One hundred eighty-eight  
2 million five hundred twenty-one thousand six hundred dollars  
3 (\$188,521,600) from the general fund, three hundred  
4 thirty-seven million seven hundred ninety-two thousand eight  
5 hundred dollars (\$337,792,800) from other state funds and eight  
6 hundred twenty-four million eight hundred sixty-three thousand  
7 three hundred dollars (\$824,863,300) from internal service  
8 funds/interagency transfers is appropriated to the department  
9 of finance and administration for allocation to general control  
10 agencies in fiscal year 2008.

11           D. COMMERCE AND INDUSTRY.--Fifty-six million nine  
12 hundred seventy-two thousand six hundred dollars (\$56,972,600)  
13 from the general fund, forty-nine million nine hundred  
14 forty-five thousand three hundred dollars (\$49,945,300) from  
15 other state funds and ten million seven hundred ninety-one  
16 thousand four hundred dollars (\$10,791,400) from internal  
17 service funds/interagency transfers is appropriated to the  
18 department of finance and administration for allocation to  
19 commerce and industry agencies in fiscal year 2008.

20           E. AGRICULTURE, ENERGY AND NATURAL  
21 RESOURCES.--Eighty-five million seven hundred sixty-one  
22 thousand two hundred dollars (\$85,761,200) from the general  
23 fund, fifty million eight hundred thirty-eight thousand seven  
24 hundred dollars (\$50,838,700) from other state funds and  
25 forty-three million one hundred forty-eight thousand three

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1 hundred dollars (\$43,148,300) from internal service  
2 funds/interagency transfers is appropriated to the department  
3 of finance and administration for allocation to agriculture,  
4 energy and natural resource agencies in fiscal year 2008.

5 F. HEALTH, HOSPITALS AND HUMAN SERVICES.--One  
6 billion three hundred ninety-seven million seven hundred  
7 ninety-four thousand four hundred dollars (\$1,397,794,400) from  
8 the general fund, two hundred nineteen million seven hundred  
9 ten thousand six hundred dollars (\$219,710,600) from other  
10 state funds and two hundred ninety million seventy-one thousand  
11 eight hundred dollars (\$290,071,800) from internal service  
12 funds/interagency transfers is appropriated to the department  
13 of finance and administration for allocation to health,  
14 hospitals and human services agencies in fiscal year 2008.

15 G. PUBLIC SAFETY.--Three hundred sixty-eight  
16 million seven hundred forty-eight thousand nine hundred dollars  
17 (\$368,748,900) from the general fund, twenty-six million six  
18 hundred seventy-seven thousand nine hundred dollars  
19 (\$26,677,900) from other state funds and thirteen million five  
20 hundred eighteen thousand six hundred dollars (\$13,518,600)  
21 from internal service funds/interagency transfers is  
22 appropriated to the department of finance and administration  
23 for allocation to public safety agencies in fiscal year 2008.

24 H. TRANSPORTATION.--Four hundred twenty-six million  
25 one hundred thirty-one thousand nine hundred dollars

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1 (\$426,131,900) from other state funds is appropriated to the  
2 department of finance and administration for allocation to  
3 transportation agencies in fiscal year 2008.

4 I. OTHER EDUCATION.--Sixty-five million  
5 thirty-seven thousand three hundred dollars (\$65,037,300) from  
6 the general fund and twenty-one million one hundred fifty-three  
7 thousand two hundred dollars (\$21,153,200) from other state  
8 funds is appropriated to the department of finance and  
9 administration for allocation to other education agencies in  
10 fiscal year 2008.

11 J. HIGHER EDUCATION.--Eight hundred twenty-nine  
12 million nine hundred six thousand nine hundred dollars  
13 (\$829,906,900) from the general fund, one billion sixty-eight  
14 million three hundred eighty-six thousand one hundred dollars  
15 (\$1,068,386,100) from other state funds and forty million two  
16 hundred fifty thousand six hundred dollars (\$40,250,600) from  
17 internal service funds/interagency transfers is appropriated to  
18 the higher education department for expenditure or allocation  
19 to higher education agencies in fiscal year 2008.

20 K. PUBLIC SCHOOL SUPPORT.--Two billion four hundred  
21 thirty-six million eight hundred twelve thousand eight hundred  
22 dollars (\$2,436,812,800) from the general fund and seven  
23 hundred fifty thousand dollars (\$750,000) from other state  
24 funds is appropriated to the public education department for  
25 expenditure or allocation to public school districts in fiscal

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1 year 2008.

2 Section 5. TRANSFER AUTHORITY.--If revenue and transfers  
3 to the general fund as of the end of fiscal year 2007 are not  
4 sufficient to meet appropriations, the governor, with the state  
5 board of finance approval, may transfer at the end of that year  
6 the amount necessary to meet the year's obligations from the  
7 unexpended balance remaining in the general fund operating  
8 reserve in a total not to exceed two hundred seventy-five  
9 million dollars (\$275,000,000).

10 Section 6. SEVERABILITY.--If any part or application of  
11 this act is held invalid, the remainder or its application to  
12 other situations or persons shall not be affected.

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